

RJ Reynolds
Tobacco Company

12/23

Lori,

Excellent letter.

Thanks,

Bill

L.E. MacWilliams

Region Operations Manager
Buffalo #1600

December 23, 1997

TO: KAM's, AM's, DM's & RM's

RE: **PLAN A & PLAN B PRICE EXECUTION**
FSC-173B

Ladies & Gentlemen:

In reference to the above FSC communication which outlines specifics relative to developing Retail POS kits for Plan A and Plan B promotional periods, please be advised as follows:

- ◆ The Buffalo Region will "test" the POS Kit concept in chains only for the 1st Quarter of 1998
- ◆ KAM's & AM's must complete the attached spreadsheets indicating POS required for each participating chain for both Plan A & Plan B needs. Kits may be "tailor made" for each chain, based on POS pieces which have been pre-sold to the chain. This process will eliminate shipment of items which may not be authorized in a particular chain (i.e. banners), therefore, controlling our cost of these items.

ROU TIMETABLE

Promotional Period	Date Spreadsheet Due in ROU
Plan A: January, 1998	N/A
Plan A: February, 1998	January 14th
Plan B: March, 1998	February 11th

Note: the above timetable assumes shipment to retail for arrival the last week of the month prior to the promotional month (calendar). If your promotional calendar is not scheduled based on calendar months - you must submit your requests 2.5 weeks prior to DTS, indicating the preferred retail arrival date.

- ◆ KAM's & AM's must communicate guidelines for POS placement with chain headquarter points, ensuring program knowledge/implementation requirements are shared with store level personnel. This process is key in order that POS kits are not discarded.

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- ◆ KAM's & AM's must communicate specifics with RM's and RR's to ensure proper implementation at retail.
- ◆ RM's & RR's should provide feedback to KAM/AM to determine if program is working as expected, (i.e. kits arrive at retail in a timely manner, store personnel placing POS as agreed upon, etc.).

Based on learning gained during this test period, our tentative plan is to implement POS kits at Division level during 2nd quarter, 1998. Initial thoughts are to develop a C/Gas Kit and a Supermarket Kit to be sent to Region independent accounts, as appropriate. This consistent approach will allow us to drill down to all Partner accounts in a manageable format. DM's will be asked to provide feedback on needed items for 2nd quarter, 1998 at a later date.

This program is designed to provide increased promotional exposure for RJR and fits with our Region Plan A Doral objectives in supermarkets.

Please feel free to contact your manager or myself with questions.

Sincerely,

Lori MacWilliams

L.E. MacWilliams

ROM/#1610

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cc: Bill Roth

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